

**As Passed by the House**

**126th General Assembly  
Regular Session  
2005-2006**

**Sub. H. B. No. 71**

**Representatives J. Stewart, Martin, Hartnett, Seitz, Faber, Seaver,  
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Stewart, D., Webster, Widowfield, Williams, Yuko, Driehaus**

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**A B I L L**

To amend sections 145.30, 145.301, 3307.751, 1  
3309.021, and 5505.25 of the Revised Code to 2  
permit a member of the Public Employees Retirement 3  
System, State Teachers Retirement System, School 4  
Employees Retirement System, or State Highway 5  
Patrol Retirement System to purchase military 6  
service credit for duty in the Ohio National Guard 7  
or reserves. 8

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 145.30, 145.301, 3307.751, 3309.021, 9  
and 5505.25 of the Revised Code be amended to read as follows: 10

**Sec. 145.30.** (A) As used in this section ~~and section 145.301~~ 11  
~~of the Revised Code:~~ 12

(1) "Armed forces" of the United States includes the 13  
following: 14

(a) Army, navy, air force, marine corps, coast guard, 15  
auxiliary corps as established by congress, red cross nurse 16  
serving with the army, navy, air force, or hospital service of the 17  
United States, army nurse corps, navy nurse corps, full-time 18  
service with the American red cross in a combat zone, and such 19  
other service as may be designated by congress as included 20  
therein; 21

(b) Personnel of the Ohio national guard and the reserve 22  
components of any of the armed forces enumerated in division 23  
(A)(1) of this section who are called to active duty pursuant to 24  
an executive order issued by the president of the United States or 25  
an act of congress; 26

(c) Persons on whom United States merchant marine veteran 27  
status has been conferred for service aboard oceangoing merchant 28  
ships in service to the United States during World War II. 29

(2) "State retirement system" means any of the following: the 30  
Ohio police and fire pension fund, public employees retirement 31  
system, school employees retirement system, state highway patrol 32  
retirement system, or the state teachers retirement system. 33

(B) Upon reemployment in the public service and completion of 34  
one year of service credit as covered by a state retirement system 35  
or the Cincinnati retirement system, within two years after 36  
service in the armed forces that is terminated in a manner other 37  
than as described in section 4304 of Title 38 of the United States 38  
Code, "Uniformed Services Employment and Reemployment Rights Act 39  
of 1994," 108 Stat. 3149, 38 U.S.C.A. 4304, and presentation of 40  
documentation of the service and subject to rules adopted by the 41  
retirement board, any member of the public employees retirement 42  
system who was a member with not less than one year of payroll 43  
deductions before entering active duty with the armed forces and 44  
maintained membership in the public employees retirement system as 45

provided by section 145.41 of the Revised Code, and who was or is  
out of active service as a public employee by reason of having  
become a member of the armed forces of the United States on active  
duty or service shall have such service, not in excess of ten  
years, considered as the equivalent of prior service. Service in  
the armed forces as established by documentation of the service,  
not in excess of ten years, shall also be considered prior service  
for a person who was a public employee and who has acquired  
service credit for five years prior to, and within the one year  
preceding, the date of entering on active duty in the armed forces  
of the United States if such person was reemployed in the public  
service within one year after service in the armed forces that is  
terminated in a manner other than as described in section 4304 of  
Title 38 of the United States Code, "Uniformed Services Employment  
and Reemployment Rights Act of 1994," 108 Stat. 3149, 38 U.S.C.A.  
4304, and established total service credit as defined in section  
145.01 of the Revised Code of twenty years exclusive of credit for  
service in the uniformed services, as defined in section 145.302  
of the Revised Code. This division shall not serve to cancel any  
military service credit earned or granted prior to November 1,  
1965.

(C) A member of the public employees retirement system is  
ineligible to receive service credit under this section for any  
year of military service credit used in the calculation of any  
retirement benefit currently being paid to the member or payable  
in the future under any other retirement program, except social  
security, or used to obtain service credit pursuant to section  
145.301 or 145.302 of the Revised Code. At the time such credit is  
requested, the member shall certify on a form supplied by the  
retirement board that the member does and will conform to this  
requirement. This division does not cancel any military service  
credit earned prior to March 15, 1979.

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Sec. 145.301. (A) As used in this section: 78

(1) "Armed forces of the United States" includes both of the 79  
following: 80

(a) Army, navy, air force, marine corps, coast guard, 81  
auxiliary corps as established by congress, red cross nurse 82  
servng with the army, navy, air force, or hospital service of the 83  
United States, army nurse corps, navy nurse corps, full-time 84  
service with the American red cross in a combat zone, and such 85  
other service as may be designated by congress as included 86  
therein; 87

(b) Persons on whom United States merchant marine veteran 88  
status has been conferred for service aboard oceangoing merchant 89  
ships in service to the United States during World War II. 90

(2) "Prisoner of war" means any regularly appointed, 91  
enrolled, enlisted, or inducted member of the armed forces of the 92  
United States, reserves, or Ohio national guard who was captured, 93  
separated, and incarcerated by an enemy of the United States. 94

(3) "Reserves" means personnel of the reserve components of 95  
any of the armed forces of the United States enumerated in 96  
division (A)(1)(a) of this section. 97

(B) A member may purchase service credit that shall be 98  
considered as the equivalent of Ohio service for each year or 99  
portion of a year of service incurred by reason of having been on 100  
active duty as a member of the armed forces of the United States, 101  
as defined in section 145.30 of the Revised Code a member of the 102  
reserves, or a member of the Ohio national guard on presentation 103  
of documentation of the service and subject to public employees 104  
retirement board rules. ~~The~~ For purposes of this section, active 105  
duty in the reserves or the Ohio national guard includes assembly 106  
for drill and instruction; training at encampments, maneuvers, 107

outdoor target practice, or other exercises; and any training or 108  
duty in this state ordered by the governor. 109

Credit shall not be granted for any period of duty during 110  
which the member was contributing to the retirement system. The 111  
credit may be purchased at any time prior to receipt of a 112  
retirement allowance. The number of years purchased shall not 113  
exceed five. The member may choose to purchase only part of such 114  
credit in any one payment, subject to public employees retirement 115  
board rules. 116

~~(B) For the purposes of this division, "prisoner of war"~~ 117  
~~means any regularly appointed, enrolled, enlisted, or inducted~~ 118  
~~member of the armed forces of the United States who was captured,~~ 119  
~~separated, and incarcerated by an enemy of the United States.~~ 120

(C) A member may purchase service credit that shall be 121  
considered as the equivalent of Ohio service for each year of 122  
service such member was a prisoner of war. The number of years 123  
purchased under this division shall not exceed five. Service 124  
credit may be purchased under this division for the same years of 125  
service used to purchase service credit under division ~~(A)~~(B) of 126  
this section. The member may choose to purchase only part of such 127  
credit in any one payment, subject to board rules. 128

~~(C)~~(D) The total number of years purchased under this section 129  
shall not exceed the member's total accumulated number of years of 130  
Ohio service. 131

~~(D)~~(E) For each year or portion of a year of service 132  
purchased under division ~~(A)~~(B) or ~~(B)~~(C) of this section, the 133  
member shall pay to the public employees retirement system for 134  
credit to the member's accumulated account an amount specified by 135  
the retirement board that shall be not less than the following: 136

(1) Except as provided in division (E)(2) of this section, if 137  
the service credit is for active duty in the armed forces of the 138

United States or for service as a prisoner of war, fifty per cent 139  
of the additional liability resulting from the purchase of that 140  
year of service as determined by an actuary employed by the board; 141

(2) If the service credit is for active duty in the reserves 142  
or Ohio national guard that consists of assembly for drill and 143  
instruction; training at encampments, maneuvers, outdoor target 144  
practice, or other exercises; or any training or duty in this 145  
state ordered by the governor, one hundred per cent of the 146  
additional liability resulting from the purchase of that year of 147  
service as determined by an actuary employed by the board. The 148  
retirement system shall calculate the number of years or portions 149  
of a year of credit the member is eligible to purchase under 150  
division (E)(2) of this section by dividing the number of days 151  
actually served by three hundred sixty-five. 152

~~(E)~~(F) A member is ineligible to purchase service credit 153  
under this section for any year of military service that was: 154

(1) Used in the calculation of any retirement benefit 155  
currently being paid to the member or payable in the future under 156  
any other retirement program, except social security, or for 157  
retired pay for nonregular service under Chapter 1223 of Section 158  
1662 of Title XVI of the "National Defense Authorization Act for 159  
Fiscal Year 1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 160  
12739; 161

(2) Used to obtain service credit pursuant to section 145.30 162  
or 145.302 of the Revised Code. 163

At the time the credit is purchased, the member shall certify 164  
on a form furnished by the retirement board that the member does 165  
and will conform to this requirement. 166

~~(F)~~(G) A member who, on March 17, 2000, is purchasing service 167  
credit under this section by making installment payments to the 168  
system or by a payroll deduction plan authorized under section 169

145.294 of the Revised Code may elect, on a form provided by the board, to have a portion of the cost of the service credit recalculated under division ~~(D)~~(E) of this section as amended by House Bill 186 of the 123rd general assembly. The recalculation shall apply only to the amount still owed by the member as of the date the election is filed with the board.

For each member who makes an election, the board shall do all of the following:

(1) Determine the amount of the total cost of the service credit still owed by the member as of the date the election is filed with the board and the number of years or portion of a year of service credit attributable to that amount;

(2) Recalculate under division ~~(D)~~(E) of this section the cost of the service credit described in division ~~(F)~~(G)(1) of this section;

(3) Notify the member of the recalculated amount.

If the recalculated amount is less than the amount still owed by the member as of the date the election is filed, the recalculated amount shall be the amount owed by the member.

~~(G)~~(H) Credit purchased under this section may be combined pursuant to section 145.37 with credit for military service purchased under sections 3307.751 and 3309.021, except that not more than an aggregate total of five years of credit purchased under division ~~(A)~~(B) of this section, division (A) of section 3307.751, and division (A) of section 3309.021, and not more than an aggregate total of five years of credit purchased under division ~~(B)~~(C) of this section, division (B) of section 3307.751, and division (B) of section 3309.021 shall be used in determining retirement eligibility or calculating benefits under section 145.37 of the Revised Code.

**Sec. 3307.751.** (A) A member participating in the plan 200  
described in sections 3307.50 to 3307.79 of the Revised Code may 201  
purchase service credit that shall be considered as the equivalent 202  
of Ohio service for each year or portion of a year of service 203  
incurred by reason of having been on active duty as a member of 204  
the armed forces of the United States, as defined in section 205  
3307.75 of the Revised Code. The For purposes of this section, 206  
active duty in the reserves or the Ohio national guard includes 207  
assembly for drill and instruction; training at encampments, 208  
maneuvers, outdoor target practice, or other exercises; and any 209  
training or duty in this state ordered by the governor. 210

Credit shall not be granted for any period of duty during 211  
which the member was contributing to the retirement system. 212

The credit may be purchased at any time prior to the 213  
effective date of a benefit. The number of years purchased under 214  
this division shall not exceed five. 215

(B) For the purposes of this division, "prisoner of war" 216  
means any regularly appointed, enrolled, enlisted, or inducted 217  
member of the armed forces of the United States who was captured, 218  
separated, and incarcerated by an enemy of the United States. 219

A member participating in the plan described in sections 220  
3307.50 to 3307.79 of the Revised Code may purchase service credit 221  
that shall be considered as the equivalent of Ohio service for 222  
each year of service such member was a prisoner of war. The number 223  
of years purchased under this division shall not exceed five. 224  
Service credit may be purchased under this division for the same 225  
years of service used to purchase service credit under division 226  
(A) of this section. 227

(C) The total number of years purchased under this section 228  
shall not exceed the member's total accumulated number of years of 229

Ohio service.

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(D)(1) Except as otherwise provided in division (D)(2) or (3)  
of this section, for each year or portion of a year of service  
purchased under division (A) or (B) of this section, the member  
shall pay to the state teachers retirement system for credit to  
the member's accumulated account an amount determined by the  
member rate of contribution in effect at the time the military  
service began multiplied by the member's annual compensation for  
full-time employment during the first year of service in Ohio  
following termination of military service. If, however, a limit on  
maximum salary or maximum contribution was in effect at the time  
the military service began, the limit shall be applied to the  
salary received during the first year of service in Ohio to  
calculate the amount of payment. To this amount shall be added an  
amount equal to compound interest at a rate established by the  
state teachers retirement board from the date active military  
service terminated to date of payment.

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(2) For each year of service purchased under division (A) or  
(B) of this section for military service that commenced on or  
after July 1, 1989, and, without regard to when the military  
service commenced, for each year of service purchased under  
division (A) or (B) of this section by a member who first  
established membership in the retirement system on or after July  
1, 1989, the member shall pay to the retirement system for credit  
to the member's individual account an amount specified by the  
state teachers retirement board that shall be not less than fifty  
per cent of the additional liability resulting from the purchase  
of that year of service as determined by an actuary employed by  
the board.

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(3) For each year or portion of a year of service in the  
reserves or Ohio national guard purchased under division (A) of  
this section that consists of assembly for drill and instruction;

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training at encampments, maneuvers, outdoor target practice, or 262  
other exercises; or any training or duty in this state ordered by 263  
the governor, the member shall pay to the retirement system for 264  
credit to the member's individual account an amount specified by 265  
the state teachers retirement board that shall not be less than 266  
one hundred per cent of the additional liability resulting from 267  
the purchase of that year of service as determined by an actuary 268  
employed by the board. The retirement system shall calculate the 269  
number of years or portions of a year of credit the member is 270  
eligible to purchase under division (D)(3) of this section by 271  
dividing the number of days actually served by three hundred 272  
sixty-five. 273

(4) A member may choose to purchase only part of the credit 274  
the member is eligible to purchase under this section in any one 275  
payment, subject to board rules. 276

(E) A member of the state teachers retirement system is 277  
ineligible to purchase service credit under this section for any 278  
year of military service that was: 279

(1) Used in the calculation of any retirement benefit 280  
currently being paid to such member or payable in the future under 281  
any other retirement program, except for retired pay for 282  
non-regular service under Chapter 1223 of Section 1662 of Title 283  
XVI of the "National Defense Authorization Act for Fiscal Year 284  
1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or 285  
social security; 286

(2) Used to obtain service credit pursuant to section 3307.75 287  
or 3307.752 of the Revised Code. 288

At the time the credit is purchased, the member shall certify 289  
on a form furnished by the board that the member does and will 290  
conform to this requirement. 291

(F) Credit purchased under this section may be combined 292

pursuant to section 3307.57 of the Revised Code with credit for 293  
military service purchased under sections 145.301 and 3309.021 of 294  
the Revised Code, except that not more than a total of five years 295  
of credit purchased under division (A) of this section, division 296  
(A)(B) of section 145.301, and division (A) of section 3309.021 297  
and not more than a total of five years of credit purchased under 298  
division (B) of this section, division (B)(C) of section 145.301, 299  
and division (B) of section 3309.021 of the Revised Code shall be 300  
used in determining retirement eligibility or calculating benefits 301  
under section 3307.57 of the Revised Code. 302

**Sec. 3309.021.** (A) A member may purchase service credit that 303  
shall be considered as the equivalent of Ohio service for each 304  
year or portion of a year of service incurred by reason of having 305  
been on active duty as a member of the armed forces of the United 306  
States, as defined in section 3309.02 of the Revised Code. All For 307  
purposes of this section, active duty in the reserves or the Ohio 308  
national guard includes assembly for drill and instruction; 309  
training at encampments, maneuvers, outdoor target practice, or 310  
other exercises; and any training or duty in this state ordered by 311  
the governor. 312

Credit shall not be granted for any period of duty during 313  
which the member was contributing to the retirement system. 314

All or part of the credit may be purchased at any time prior 315  
to receipt of a retirement allowance. The number of years 316  
purchased under this division shall not exceed five. 317

(B) For the purposes of this division, "prisoner of war" 318  
means any regularly appointed, enrolled, enlisted, or inducted 319  
member of the armed forces of the United States who was captured, 320  
separated, and incarcerated by an enemy of the United States. 321

A member may purchase service credit that shall be considered 322

as the equivalent of Ohio service for each year of service such 323  
member was a prisoner of war. The number of years purchased under 324  
this division shall not exceed five. Service credit may be 325  
purchased under this division for the same years of service used 326  
to purchase service credit under division (A) of this section. The 327  
member may choose to purchase only part of such credit in any one 328  
payment, subject to board rules. 329

(C) The total number of years purchased under this section 330  
shall not exceed the member's total accumulated number of years of 331  
Ohio service. 332

(D) ~~For~~ (1) Except as provided in division (D)(2) of this 333  
section, for each year or portion of a year of service purchased 334  
under division (A) or (B) of this section, the member shall pay to 335  
the school employees retirement system for credit to the member's 336  
accumulated account an amount determined by the member rate of 337  
contribution in effect at the time the military service began 338  
multiplied by the annual compensation for full-time employment 339  
during the first year of service covered by the school employees 340  
retirement system, public employees retirement system, or state 341  
teachers retirement system following termination of military 342  
service. If, however, a limit on maximum salary or maximum 343  
contribution was in effect at the time the military service began, 344  
the limit shall be applied to the salary received during the first 345  
year of service in Ohio to calculate the amount of payment. To 346  
this amount shall be added an amount equal to compound interest at 347  
a rate established by the school employees retirement board from 348  
the date of the member's first service covered by the school 349  
employees retirement system, public employees retirement system, 350  
or state teachers retirement system following termination of the 351  
military service to date of payment. 352

(2) For each year or portion of a year of service in the 353  
reserves or Ohio national guard purchased under division (A) of 354

this section that consists of assembly for drill and instruction; 355  
training at encampments, maneuvers, outdoor target practice, or 356  
other exercises; or any training or duty in this state ordered by 357  
the governor, the member shall pay to the retirement system for 358  
credit to the member's individual account an amount specified by 359  
the school employees retirement board that shall not be less than 360  
one hundred per cent of the additional liability resulting from 361  
the purchase of that year of service as determined by an actuary 362  
employed by the board. The retirement system shall calculate the 363  
number of years or portions of a year of credit the member is 364  
eligible to purchase under division (D)(2) of this section by 365  
dividing the number of days actually served by three hundred 366  
sixty-five. 367

(E) A member of the school employees retirement system is 368  
ineligible to purchase service credit under this section for any 369  
year of military service that was: 370

(1) Used in the calculation of any retirement benefit 371  
currently being paid to the member or payable in the future under 372  
any other retirement program, except for retired pay for 373  
nonregular service under Chapter 1223 of Section 1662 of Title XVI 374  
of the "National Defense Authorization Act for Fiscal Year 1995," 375  
108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or social 376  
security; 377

(2) Used to obtain service credit pursuant to section 3309.02 378  
or 3309.022 of the Revised Code. 379

At the time such credit is purchased, the member shall 380  
certify on a form furnished by the retirement board that the 381  
member does and will conform to this requirement. 382

(F) Credit purchased under this section may be combined 383  
pursuant to section 3309.35 of the Revised Code with credit for 384  
military service purchased under sections 145.301 and 3307.751 of 385

the Revised Code, except that not more than an aggregate total of  
five years of credit purchased under division (A) of this section,  
division ~~(A)~~(B) of section 145.301, and division (A) of section  
3307.751 of the Revised Code, and not more than an aggregate total  
of five years of credit purchased under division (B) of this  
section, division ~~(B)~~(C) of section 145.301, and division (B) of  
section 3307.751 of the Revised Code shall be used in determining  
retirement eligibility or calculating benefits under section  
3309.35 of the Revised Code.

**Sec. 5505.25.** (A) A member of the state highway patrol  
retirement system who is not receiving a pension from the system  
may purchase service credit for each year or portion of a year of  
service incurred by reason of having been on active duty as a  
member of the uniformed services of the United States if the  
member is honorably discharged. For purposes of this section,  
active duty in the reserves or the Ohio national guard includes  
assembly for drill and instruction; training at encampments,  
maneuvers, outdoor target practice, or other exercises; and any  
training or duty in this state ordered by the governor.

Credit shall not be granted for any period of duty during  
which the member was contributing to the retirement system.  
Credits that are not authorized under division (D) of section  
5505.16 of the Revised Code may be purchased at any time. The  
number of years purchased under this division shall not exceed  
five.

(B) For the purposes of this division, "prisoner of war"  
means any regularly appointed, enrolled, enlisted, or inducted  
member of the uniformed services of the United States who was  
captured, separated, and incarcerated by an enemy of the United  
States.

A member may purchase service credit for each year of service

such member was a prisoner of war. The number of years purchased under this division shall not exceed five. Service credit may be purchased under this division for the same years of service used to purchase service credit under division (A) of this section. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

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(C) The total number of years purchased under this section shall not exceed the member's total accumulated number of years in the service of the state highway patrol.

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Credit purchased by a member under this section shall be used to determine the member's eligibility for retirement under sections 5505.16 and 5505.17 of the Revised Code.

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(D) ~~For~~ (1) Except as provided in division (D)(2) of this section, for each year or portion of a year of service purchased under division (A) or (B) of this section, the member shall pay to the system for credit to the member's accumulated account an amount determined by the member rate of contribution in effect at the time the military service began multiplied by the annual compensation for full-time employment during the first year of service in Ohio following termination of military service. To this amount shall be added an amount equal to compound interest at a rate established by the state highway patrol retirement board from the date active military service terminated to date of payment.

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A (2) For each year or portion of a year of service in the reserves or Ohio national guard purchased under division (A) of this section that consists of assembly for drill and instruction; training at encampments, maneuvers, outdoor target practice, or other exercises; or any training or duty in this state ordered by the governor, the member shall pay to the retirement system for credit to the member's individual account an amount specified by the state highway patrol retirement board that shall not be less

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than one hundred per cent of the additional liability resulting 448  
from the purchase of that year of service as determined by an 449  
actuary employed by the board. The retirement system shall 450  
calculate the number of years or portions of a year of credit the 451  
member is eligible to purchase under division (D)(2) of this 452  
section by dividing the number of days actually served by three 453  
hundred sixty-five. 454

(E) A member is ineligible to purchase service credit under 455  
this section for any year of military service that was: 456

(1) Used in the calculation of any retirement benefit 457  
currently being paid to the member or payable in the future under 458  
any other retirement program, except for retired pay for 459  
nonregular service under Chapter 1223 of Section 1662 of Title XVI 460  
of the "National Defense Authorization Act for Fiscal Year 1995," 461  
108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or social 462  
security; 463

(2) Used to obtain service credit pursuant to section 5505.16 464  
of the Revised Code. 465

At the time the credit is purchased, the member shall certify 466  
on a form furnished by the board that the member does and will 467  
conform to this requirement. Any benefit paid under this section 468  
to which the member is not entitled shall be recovered by any 469  
recovery procedures available under this chapter. 470

As used in this section, "uniformed services" of the United 471  
States has the same meaning as in division (D) of section 5505.16 472  
of the Revised Code. 473

**Section 2.** That existing sections 145.30, 145.301, 3307.751, 474  
3309.021, and 5505.25 of the Revised Code are hereby repealed. 475